

HOUSE No. 2438

By Mr. Marzilli of Arlington, petition of J. James Marzilli, Jr., and others for legislation to establish ratings on the fuel efficiency of motor vehicles and further regulating the tax imposed on the sales of such vehicles. Revenue.

The Commonwealth of Massachusetts

PETITION OF:

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In the Year Two Thousand and Five.

AN ACT TO PROMOTE A CLEAN CAR INITIATIVE.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter 64H of the General Laws, as appearing in
2 the 2002 Official Edition, is hereby amended by inserting after
3 section 2A the following new section:—

4 Section 2B. Notwithstanding the provisions of section 2 and
5 section 4 of this chapter, the excise imposed upon the sale of any
6 new passenger automobile, van, or light truck in the Common-
7 wealth shall be at a rate between zero and ten percent of the gross
8 receipts of the vendor for each such automobile, van, or light
9 truck.

10 The commissioner of energy resources shall establish annually
11 following a hearing, a schedule of the carbon dioxide emissions
12 rates for all vehicles.

13 The commissioner of revenue, after consultation with the regis-
14 trar of motor vehicles and commissioner of energy resources and
15 after holding a public hearing, shall establish annually an excise
16 rate schedule for all models of new passenger automobiles, vans
17 and light trucks based upon the schedule of carbon dioxide emis-
18 sions established by the commissioner of energy resources, in
19 order to encourage the purchase of the least carbon dioxide emit-
20 ting vehicles. The model or models that achieve the lowest carbon
21 dioxide emissions shall be assessed at zero percent, and the model
22 or models that achieve the highest carbon dioxide emissions shall
23 be assessed at ten percent. In setting the range of excise rates for
24 all other models, the commissioner of revenue shall consider the
25 extent to which models vary in carbon dioxide emissions; pro-
26 vided, however, that no vehicle whose carbon dioxide emission is
27 above the national fleet average, as determined by the federal
28 Environmental Protection Agency or the state department of
29 energy resources, shall be taxed at a rate less than five percent.

30 The commissioner shall use data on past sales patterns of
31 vehicle models in the Commonwealth and may make such
32 assumptions as to future consumer behavior as the commissioner
33 deems necessary; provided, that the commissioner shall annually
34 adjust the excise rates so the total excise tax on sales collected for
35 all new passenger automobiles, vans and light trucks shall average
36 five percent per vehicle over time.

37 A seller of any new passenger automobile, van or light truck in
38 the Commonwealth shall prominently display the excise rate
39 assigned by the commissioner for that automobile, van or light
40 truck.

41 The excise tax display shall contain, across its top, in characters
42 no smaller than one-half inch in height, the following message:
43 “The Commonwealth of Massachusetts has set the following sales
44 tax rate for this vehicle model:”.

45 Such statement shall be followed by the assigned excise tax
46 rate, to be expressed as a percentage of the sales price of the
47 vehicle, in characters no smaller than four inches in height.

48 Below said excise tax rate, in characters no smaller than one
49 quarter inch in height, shall appear the following message: “This
50 rate is based upon carbon dioxide emissions of this model in com-
51 parison with other vehicles. Under Massachusetts law, the sales

52 tax for vehicle models ranges from zero percent for the least emit-
53 ting vehicles to ten percent for the most emitting vehicles. See
54 price sticker for the actual EPA carbon dioxide emissions estimate
55 for this vehicle.”

56 The commissioner of energy resources shall cause periodic
57 inspections to be made of motor vehicle dealers in order to ensure
58 compliance with this section. Said commissioner shall also cause
59 investigation to be made of complaints received concerning viola-
60 tions of this section. The commissioner shall report the results of
61 any inspections or investigations to the attorney general. The
62 attorney general may institute proceedings to enforce the provi-
63 sions of this section. Failure to comply with any of the provisions
64 of this section shall constitute an unfair or deceptive act or prac-
65 tice under the provisions of chapter ninety-three A. Any person
66 who violates any provision of this section shall be punishable by a
67 civil penalty of not more than five hundred dollars for each
68 offense or as provided in chapter ninety-three A, whichever is
69 greater. Each violation of this section shall constitute a separate
70 offense, and each day such violation continues shall constitute a
71 separate offense.

72 The commissioner of revenue, after consulting with the com-
73 missioner of energy resources and the registrar of motor vehicles,
74 and after holding a public hearing, shall develop a methodology
75 for determining the excise rates for vehicles covered by this
76 section and shall, by May 1, 2005 make a report of such method-
77 ology to the ways and means committees of the house and senate
78 of the General Court. The commissioner of revenue and the com-
79 missioner of energy resources shall monitor the effects of the
80 excise established herein on motor vehicle sales in the Common-
81 wealth and on revenue yields, and by December thirty-first of
82 each year shall file with the joint committee on energy of the
83 General Court and with the house and senate committees on ways
84 and means reports on the status of these effects and on any recom-
85 mendations which the said commissioners deem appropriate for
86 achieving or maintaining the goals of this program.

87 The provisions of this section shall take effect for all sales of
88 new passenger automobiles, vans and light trucks occurring on or
89 after September first, 2007.

1 SECTION 2. Section 3 of said chapter 64H is hereby amended
2 by striking out subsection C and inserting in place thereof the
3 following:— C) The excise imposed by sections two and two A
4 upon sales at retail of motor vehicles or trailers shall be paid by
5 the purchaser to the registrar of motor vehicles in the manner pre-
6 scribed by the commissioner of revenue. The vendor thereof shall
7 not add the tax to the sales price and shall not collect the tax from
8 the purchaser. The vendor thereof shall, however, furnish to the
9 purchaser, to the registrar, and to said commissioner a sworn state-
10 ment of the sale upon a form prescribed by said commissioner,
11 with the approval of the commissioner, giving such information as
12 the commissioner may require for the determination of such tax.
13 Any person giving false or fraudulent information as to any mate-
14 rial fact in the sworn statement required by this section shall be
15 subject to a penalty of not more than five hundred dollars for each
16 violation; such penalty shall be in addition to any penalty imposed
17 by chapter 62C, chapter 93A, or other provisions of the General
18 Laws. For the purpose of this paragraph, the term “motor vehicle”
19 means any self-propelled vehicle designed for use and used pri-
20 marily upon the highways.

1 SECTION 3. The first sentence of section 4 of said chapter 64H
2 is hereby amended by striking the word “For”, in line 1, and
3 inserting in place thereof the following words:— Except for the
4 tax imposed by section two A, for.

1 SECTION 4. The first sentence of section 2 of chapter 64I of
2 the General Laws, as appearing in the 2002 Official Edition, is
3 hereby amended by inserting, in line 14, after the word “services”
4 the following words:— provided, however, that, notwithstanding
5 the provisions of section five of this chapter, in the case of a pas-
6 senger automobile, van, or light truck, the applicable rate shall be
7 determined in accordance with the provisions of section 2A of
8 chapter 64H.

1 SECTION 5. Section 4 of said chapter 64I is hereby amended
2 by adding at the end of the second paragraph, in line forty-two,
3 the following:— Any person giving false or fraudulent informa-
4 tion as to any material fact in the sworn statement required by this

5 section shall be liable for a penalty of not more than five hundred
6 dollars for each violation; such penalty is to be in addition to any
7 penalty imposed by chapter sixty-two C, chapter ninety-three A,
8 or other provisions of the General Laws.

1 SECTION 6. Motor vehicles owned and operated by the com-
2 monwealth, as they are removed from service, shall only be
3 replaced with vehicles that have lower than average carbon
4 dioxide emissions as determined pursuant to section 2A of
5 chapter 64H. The commissioner may grant a waiver from the
6 requirements of this section for any vehicle that the common-
7 wealth needs to purchase where such a waiver is necessary to pro-
8 tect the public safety.